

m/043/004

BENNETT, HARKNESS & KIRKPATRICK
1874-1890BENNETT, MARSHALL & BRADLEY
1890-1896BENNETT, HARKNESS, HOWAT
SUTHERLAND & VAN COTT
1896-1902SUTHERLAND, VAN COTT & ALLISON
1902-1907VAN COTT, ALLISON & RITER
1907-1917VAN COTT, RITER & FARNSWORTH
1917-1947

H. MICHAEL KELLER

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August 5, 2002

Mary Ann Wright
Associate Director, Mining
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

*Via Facsimile Transmission
and Original Sent by U.S. Mail
(801-359-3940)*

Re: Utelite Corporation, Utelite Mine, M/043/004, Summit County, Utah

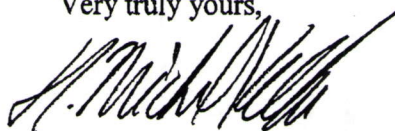
Dear Mary Ann:

We are writing on behalf of our client Utelite Corporation in response to your letter of July 19, 2002. We would like to meet with you and your staff at your earliest convenience to discuss the matters raised in your letter concerning Utelite Corporation's Annual Financial Statements and the status of the Self-bonding and Indemnity Agreement dated January 25, 1990.

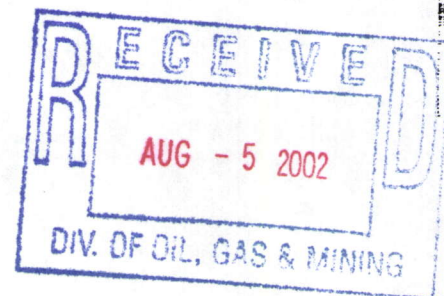
We believe the issues raised in your letter can be addressed within the framework of the existing agreement. Utelite's financial condition is stronger than it was in 1988. For example, the net worth of Utelite Corporation at December 31, 2001 was over 20 percent higher than its net worth at December 31, 1988.

Please let us know when we can meet with you at your earliest convenience to discuss these issues more fully.

Very truly yours,



H. Michael Keller



dp

cc: Carsten Mortensen

Lynn M. Carlson, CPA